Manitoba

Annual Report 1985 - 86

Urban Affairs

Minister's Letter of Transmittal

Manitoba

Minister of
Urban Affairs

Room 336
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

April, 1987

To His Honour
George Johnson
Lieutenant-Governor of Manitoba
235 Legislative Building

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour the First Annual Report of the Department of Urban Affairs for the fiscal year ended March 31, 1986.

Respectfully submitted,

Honourable Gary Doer,
Minister of Urban Affairs

Deputy Minister's Letter of Transmittal

Manitoba

Deputy Minister of
Urban Affairs

Room 338
Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

April, 1987

Honourable Gary Doer,
Minister of Urban Affairs.

Sir:

I have the honour to present the First Annual Report of Manitoba Urban Affairs.

To the best of my knowledge, this report is an accurate summary of the work accomplished for the fiscal year ending March 31, 1986.

As this is the first Annual Report of Manitoba Urban Affairs, reference is made to the history of the department and to activities undertaken since its establishment.

The primary focus of Manitoba Urban Affairs continues to be those activities which enhance the quality of life of all the Manitobans who live in or visit their capital city. To this end, the department has placed special emphasis on such areas as urban transportation, urban finance, citizen participation and urban environment.

Respectfully submitted,

Peter Diamant

Peter G. Diamant
Deputy Minister of Urban Affairs

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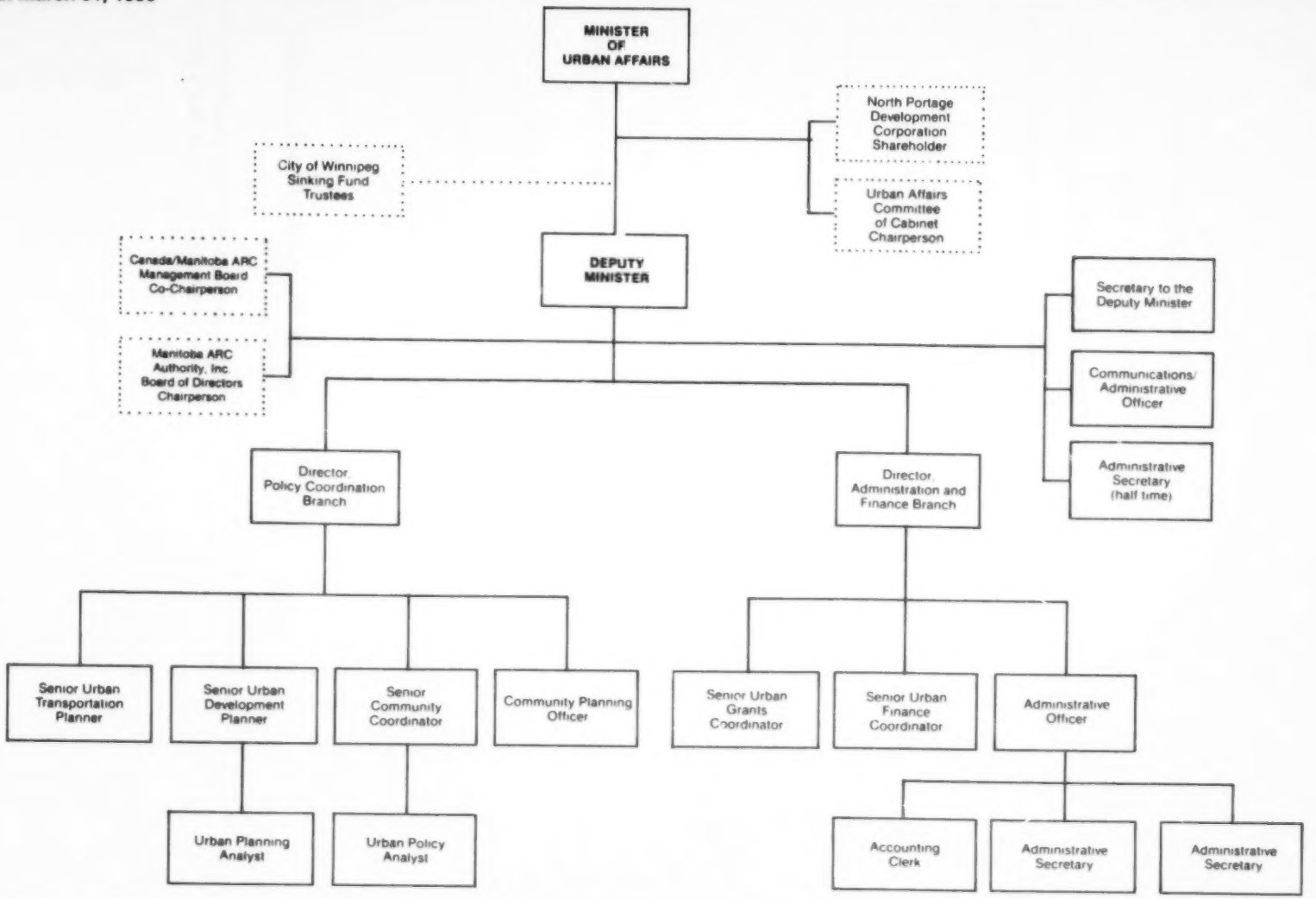
Organization Chart — Manitoba Urban Affairs

As at March 31, 1986



Report of the Deputy Minister

Manitoba Urban Affairs was first established as a separate department in 1971. This action coincided with the enactment of the new City of Winnipeg Act. It also recognized the uniqueness of the Manitoba situation in which its capital city contains over half of the population of the Province.

A new method of financing City of Winnipeg capital projects was introduced in January, 1985 by the former Minister of Urban Affairs, the late Honourable Mary Beth Dolin. The Minister advised the Mayor and City Council that the Government of Manitoba was prepared to enter into a formal agreement with the City of Winnipeg to cost-share urban capital projects over the next five years. The offer to participate in Winnipeg's Five Year Capital Program was the first time the Government of Manitoba had responded to the requests from City Council for a formal commitment of long-term financial assistance. The Minister proposed that Winnipeg and Manitoba enter into an Urban Capital Projects Agreement for 1985 to 1989 which would formalize the Province's financial commitment.

The mandate of Manitoba Urban Affairs has broadened throughout the year. Fiscal year 1985/86 was one of increased activities and achievements.

The department established an Affirmative Action Committee which developed a plan to implement the Government's Affirmative Action policy. The plan established statistical objectives aimed at increasing employment opportunities in the department for designated target group members. In the next year, various activities and initiatives will be implemented to ensure equal access to people currently underrepresented in Government.

Urban Affairs is the lead provincial department in a number of bilateral and trilateral agreements which have as their main objective improving the physical environment and quality of life for Winnipeggers.

Canada, Manitoba and Winnipeg entered into a unique agreement in 1981 to develop a series of programs aimed at the revitalization of the social, economic and physical fabric of Winnipeg's inner city. The five year $96 million Core Area Initiative Agreement is directed by a Policy Committee consisting of a principal Federal Minister, the Minister of Urban Affairs and the Mayor of Winnipeg. A Management Board comprised of senior civil servants from each level of government, including the Deputy Minister of Urban Affairs, is responsible for the supervision of the ongoing activities of the Initiative. Urban Affairs also represents the Province on a number of trilateral program committees. Considerable effort has been spent this year on negotiating a renewal of the Initiative so that it can become effective upon the termination of the first Agreement on March 31, 1986. This will enable a continuation of the progress achieved during the first five years of the Initiative.

Urban Affairs also has a lead role in the project to redevelop the north side of Portage Avenue. In 1983, the Minister of Urban Affairs signed, on behalf of Manitoba, a Unanimous Shareholders Agreement with Canada and Winnipeg which established the North Portage Development Corporation. The initial public sector funding of $76 million is projected to stimulate over $250 million of private and institutional sector investment. Major progress was achieved this year in finalizing the main components of the development which includes an IMAX Theatre and Manitoba film that received additional financial assistance from the Province.

Negotiations were concluded on the extension of the Canada/Manitoba Agreement for Recreation and Conservation on the Red River Corridor (ARC) to enable the completion of projects which had not been fully implemented. Under the ARC Agreement which will now terminate on March 31, 1988, Urban Affairs will be responsible for the co-ordination of the Trappist Monastery and St. Norbert X-Kalay projects.

A committee appointed to review The City of Winnipeg Act presented its findings and recommendations to the Minister in December, 1985. The department is now undertaking an analysis of the Review Committee's report.

The department also acts as the secretariat to the Urban Affairs Committee of Cabinet which was also established in 1971. The Committee is chaired by the Minister of Urban Affairs and consists of: the Premier, the Minister of Finance, the Minister of Municipal Affairs, and all other Cabinet Ministers who represent constituencies in the City of Winnipeg. The Urban Affairs Committee meets regularly with the Official Delegation of the City of Winnipeg for purposes of resolving provincial/city issues and initiating joint action on major urban issues.

I wish to thank all departmental staff for their efforts toward fulfilling the objectives of Manitoba Urban Affairs and making 1985/86 a year of achievement.

Manitoba Urban Affairs Mandate

Manitoba Urban Affairs is responsible for the development and maintenance of the legislative, financial and planning framework that will effectively meet the needs of the citizens of Winnipeg. The Province of Manitoba and the City of Winnipeg share a common interest in improving the well-being of the residents of our capital city and in promoting the City of Winnipeg as a major focal point for economic, cultural and social activities in the Province.

Manitoba Urban Affairs contributes to its mandate by:

1. developing and coordinating provincial policies that address major urban issues in transportation, land use planning, finance, community development, urban environment, and citizen participation;
2. guiding legislative changes to The City of Winnipeg Act that support more effective urban government;
3. administering financial assistance programs to the City of Winnipeg;
4. negotiating and implementing intergovernmental agreements and programs designed to improve urban living;
5. delivering services directly to urban residents.

Legislative Authority

The Department of Urban Affairs is responsible for administering The City of Winnipeg Act (S.M. 1971, Cap. 105). This statute creates the City of Winnipeg and delineates the powers and responsibilities delegated by the Province of Manitoba to the City of Winnipeg. The Act also defines some of the powers reserved by the Province. Because of Winnipeg's size and administrative competence, the Act provides the City with a considerable degree of autonomy in decision-making and expenditure of funds.

In 1985/86, legislative amendments were made to Parts VII and VIII of The City of Winnipeg Act to ensure uniformity across the Province in the process of appealing real property assessments. These amendments were included in Bill 83 (S.M. 1985, Cap. 46), An Act to Amend The Municipal Assessment Act and Various Other Statutes of the Legislature.

The Minister of Urban Affairs also has responsibility for the unconsolidated statute An Act Respecting the Taxation of the Canadian Pacific Railway Company by the City of Winnipeg and to Amend the Winnipeg Charter, 1956 (S.M. 1965, Cap. 109), as amended by S.M. 1982-83-84, Cap. 89. The original statute and its amendment delineate the special arrangement enjoyed by the Canadian Pacific Railway for the taxation of its property in the inner City of Winnipeg area. This special status will end in 1989, when the Railway will begin paying full property taxes.

Expenditure Summary

For the Fiscal Year ended March 31, 1986
With Comparative Figures for the Previous Fiscal Year

Program		Budget 1985-86 ($000)	Actual 1985-86 ($000)	Actual 1984-85 ($000)
20-1A	Minister	9.8	9.1	9.8
20-1B	Executive Support	156.5	117.9	132.5
20-1C	Administrative and Financial Services	251.0	269.2	240.5
20-1	TOTAL (Administration and Finance)	417.3	396.2	382.8
20-2	TOTAL (Financial Assistance to the City of Winnipeg)	33,900.0	33,900.0	32,397.2
20-3A	Policy Coordination — Salaries	300.2	241.2	246.4
20-3B	Policy Coordination — Other Expenditures	132.3	89.1	112.2
20-3C	Core Area Agreement — Current Expenditures	5,411.0	4,142.0	4,889.9
20-3D	City of Winnipeg Act Review Committee	182.4	262.0	237.7
20-3E	Riverbank Development	.0	5.0	.0
20-3	TOTAL (Urban Policy Coordination)	6,025.9	4,739.3	5,486.2
20-4A	A.R.C. — Salaries	10.0	8.5	20.5
20-4B	A.R.C. — Other Expenditures	115.0	114.9	218.0
20-4	TOTAL (Agreement for Recreation and Conservation on the Red River Corridor)	125.0	123.4	238.5
20-5A	Capital Expenditures — Core Area Agreement	11,687.7	9,297.8	8,749.5
20-5B	Capital Expenditures — A.R.C.	750.0	576.1	1,848.9
20-5C-1	Capital Grants to the City of Winnipeg	16,900.0	14,442.9	14,026.3
20-5C-2	Capital — Intergovernmental Land Sales Program	.0	.0	137.2
20-5	TOTAL (Capital Expenditures)	29,337.7	24,316.8	24,761.9
20	**Department Total**	69,805.9	63,475.7	63,266.6

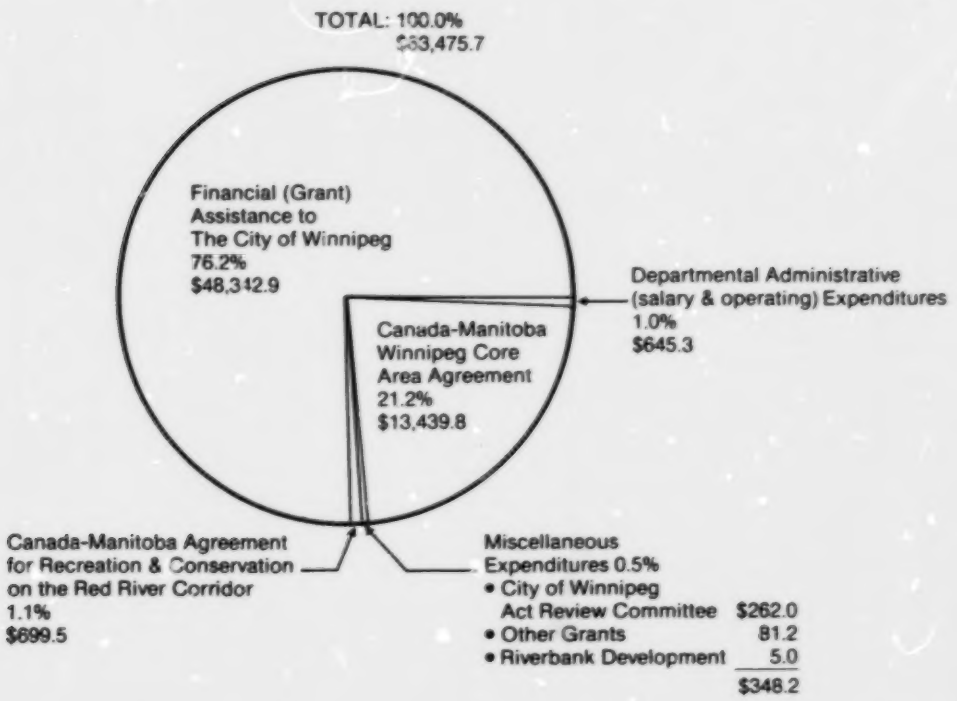
NOTE: All figures have been rounded to the nearest $100; exact figures and further breakdown can be obtained from The Public Accounts 1984-85 and 1985-86.

Revenue Summary
For the Fiscal Year ended March 31, 1986
With Comparative Figures for the Previous Fiscal Year

Program	Budget 1985-86 ($000)	Actual 1985-86 ($000)	Actual 1984-85 ($000)
Current — Other Revenue			
a) Core Area Agreement, City of Winnipeg	1,403.7	995.7	1,394.9
b) Sundry, A.R.C. Agreement	.0	5.8	5.7
— Government of Canada			
a) A.R.C. Agreement	12.5	11.7	106.7
b) Core Area Agreement	1,403.7	995.7	1,394.9
c) Operating, Year-End Adjustments, National Training Act	.0	.0	286.9
TOTAL (Current Operating Programs)	2,819.9	2,008.9	3,189.1
Capital — Other Revenue			
a) Core Area Agreement, City of Winnipeg	2,639.4	2,127.8	1,676.3
b) Land Sales, Salter St. Bridge	.0	.0	124.5
c) Land Sales, North Logan Redevelopment	.0	13.8	56.9
d) Sundry	.0	42.6	5.0
e) A.R.C., Special Projects	.0	90.2	.0
— Government of Canada			
a) A.R.C. Agreement	147.0	171.2	635.8
b) Core Area Agreement	2,639.4	2,127.8	1,676.3
TOTAL (Revenues Related to Capital)	5,425.8	4,573.4	4,176.8
Department Total	8,245.7	6,582.3	7,365.9

NOTE: All figures have been rounded to the nearest $100; exact figures can be obtained from The Public Accounts 1984-85 and 1985-86.

Department of Urban Affairs
1985/86 Actual Expenditures ($000)



Administration and Finance Branch

Director — James Beaulieu

The objectives of the Branch are:

- To provide an effective management, financial, and administrative support role in carrying out the Department's mandate and programming.
- To define and implement a provincial urban finance strategy that supports the achievement of provincial urban objectives within limited financial resources.
- To define and implement a departmental strategic plan that will guide future decision making respecting the implementation of provincial urban policies in the City of Winnipeg.

The Branch's activities include:

- personnel, financial, systems development, and administrative support services for the Department;
- staff support for the Urban Affairs Committee of Cabinet;
- policy review and development in urban finance;
- coordination of the Department's strategic planning function;
- coordination of the Department's budget preparation function;
- administration of financial grants to the City of Winnipeg;
- financial administration of Provincial activities under the Core Area Initiative;
- coordination of a small library to serve primarily the internal research needs of departmental staff.

The Branch has a complement of 7.00 staff years — 2 secretarial support, 2 administrative support, 2 professional, and 1 managerial, and maintains a .13 term staff year for secretarial relief, as required. The two secretaries provide the secretarial support services for both branches of the Department.

The overhead cost of all departmental salaries and other expenditures excluding A.R.C. personal contracts, represents 1.0% of the Department's 1985/86 budget.

Urban Finance Policy

The Administration and Finance Branch defines and implements a provincial urban finance strategy that supports the achievement of provincial urban objectives within limited financial resources, and that facilitates more orderly planning of expenditures.

In defining its urban finance policy, the Province has recognized that virtually all issues involving the City of Winnipeg have a financial component or impact. As a result, the role of the Department in intergovernmental finance is varied and wide-ranging. The Department routinely is involved in a number of local finance issues, including:

- the administration of direct financial assistance for the City of Winnipeg;
- the administration of cost-shared joint initiatives involving the City of Winnipeg;
- review and amendment of legislation defining local government financial administration and tax bases;
- the level and incidence of various local forms of taxation;
- alternative sources of local government revenue;
- the cost and financing of the provision of municipal services; and
- the financing of capital programs.

The Department's urban finance policy addresses the following provincial objectives:

- Emphasis on urban revitalization;
- Encouragement of the efficient use of resources;
- Promotion of economic development; and
- Reinforcement of the Province/City partnership.

More specifically, in defining an urban finance strategy, the Department is guided by the following criteria:

- To ensure that the City of Winnipeg conforms to the requirements of The City of Winnipeg Act with respect to financial matters.
- To ensure an adequate and reasonable level and variety of urban services.

- To enhance financial accountability to the Legislature for provincial expenditures and to clarify jurisdictional responsibility for service provision.
- To promote long-term planning by the Province and the City of resource allocations, especially in capital programming.
- To recognize the uniqueness of Winnipeg within the Manitoba municipal context, especially because of its physical size and complexity, population concentration, social issues and economic base.
- To promote a partnership of the three levels of government as an effective means of harnessing scarce public resources in support of local and regional economic development.

Since 1981 the emphasis in urban finance has been to support the achievement of provincial objectives within the City of Winnipeg through the use of provincial grant programs.

Financial (Grant) Assistance to the City of Winnipeg

The following description of grants made by the Department of Urban Affairs to the City of Winnipeg excludes individual grant payments as the relevant figures are in the Table: **Detailed Summary, Actual Grant Assistance to the City of Winnipeg, 1981/82 to 1985/86.**

A. Assistance Prior to 1982

Prior to 1982, the Department of Urban Affairs provided the City of Winnipeg with an unconditional grant, formally referred to as the Block Funding Grant. The Block Grant had been introduced in 1979 as a replacement for nine conditional grants to the City of Winnipeg made by various provincial departments:

Conditional Grant	Original Funding Department
1) Regional Streets Maintenance Grant	Highways and Transportation
2) Inner City Public Health Grant	Health and Social Development
3) Convention Centre Grant	Municipal and Urban Affairs
4) Transit Operating Subsidy	Highways and Transportation
5) Transit Bus Purchases	Highways and Transportation
6) Transit Innovative Project	Highways and Transportation
7) Land Acquisition, Right-of-Way	Highways and Transportation
8) Regional Streets Capital Program	Highways and Transportation
9) Assiniboine Park and Zoo: Current and Capital	Mines, Resources and Environmental Management (formerly with Tourism)

The Block Grant was not available on a similar basis to other municipalities, which continued to be eligible for the grants made by other provincial departments.

B. Assistance from 1982 to Present

In 1982 the first steps were taken to replace the unconditional Block Grant with more specific funding arrangements. On an interim basis three separate grant programs were established and the Block Grant was discontinued. The new grant programs were:

1) Unconditional Current Programs Grant
2) Urban Transit Operating Grant
3) Unconditional Capital Programs Grant

The new grants continued to be administered by Manitoba Urban Affairs. The Urban Transit Operating Grant committed the Government of Manitoba to share in 50 per cent of the City's transit system operating deficit, up to a ceiling set each year.

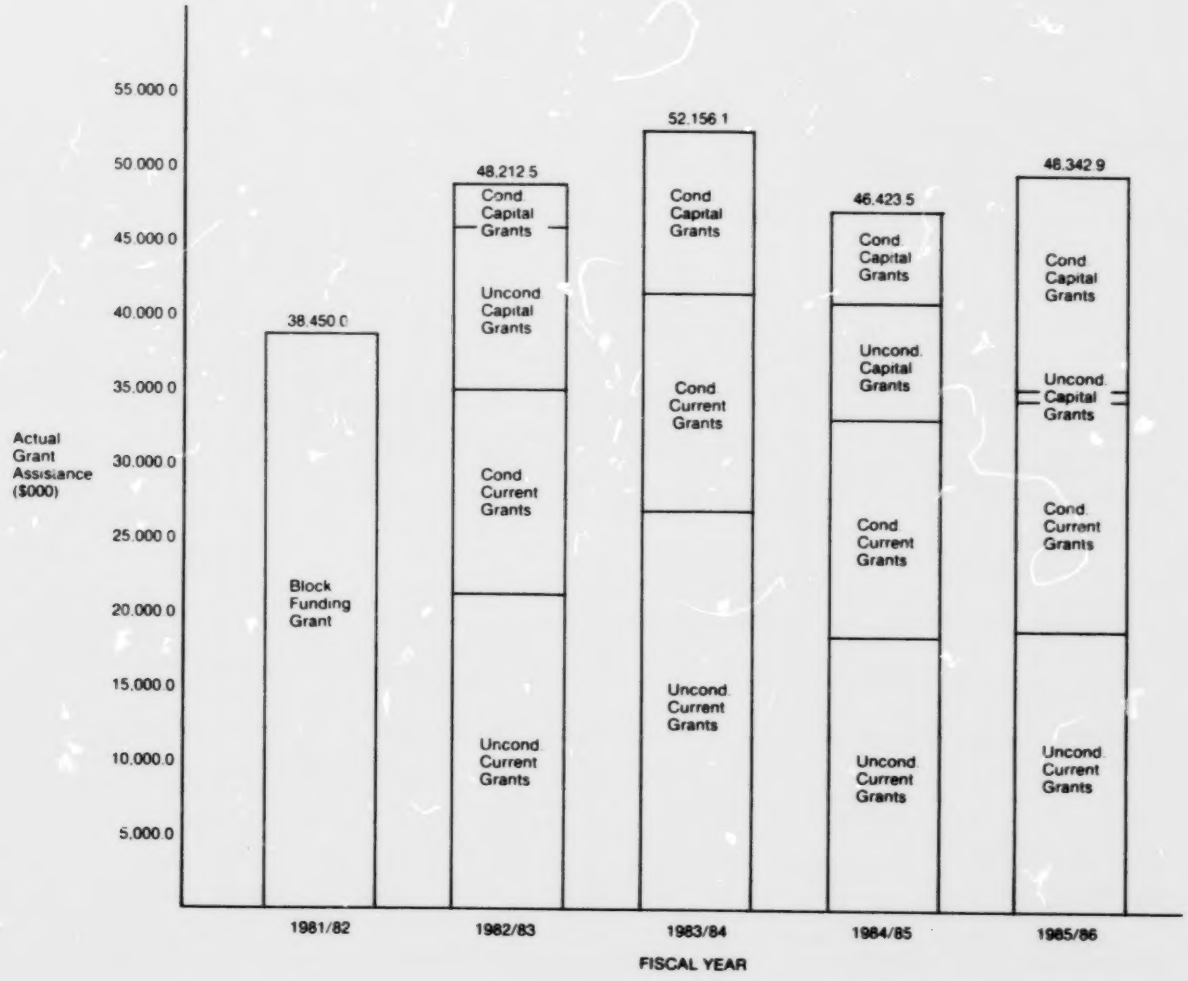
In 1983 conditional capital grants were introduced with the commitment to share in 50 per cent of the cost of replacing the Salter Street Bridge with the Slaw Rebchuk Bridge. Similarly, 50 per cent cost sharing was agreed to for urban and innovative transit projects such as bus purchases and Telebus. In the following year, the Department assumed funding and program responsibility for Neighbourhood and Community Improvement Projects transferred from the Manitoba Housing and Renewal Corporation.

In 1984 the Unconditional Current Programs grant was separated into an Unconditional Current Programs grant of $18.0 million and an Unconditional Capital Programs grant of $8.5 million. In announcing these grants, the Minister of Urban Affairs offered to discuss replacing unconditional capital grants in the following year with conditional capital funding in the context of the City's Five-Year Capital Development Program.

In 1985 the first grant payments under the proposed Urban Capital Projects Agreement were made. Although an agreement had not been formally executed with the City of Winnipeg, payments made towards eligible capital projects agreed to for cost sharing in 1985 are part of the provincial commitment of $90.0 million over the six years, 1985 to 1990. Since 1982, the City of Winnipeg has continued to receive annual payments of the Unconditional Current Programs Grant and the Urban Transit Operating Grant.

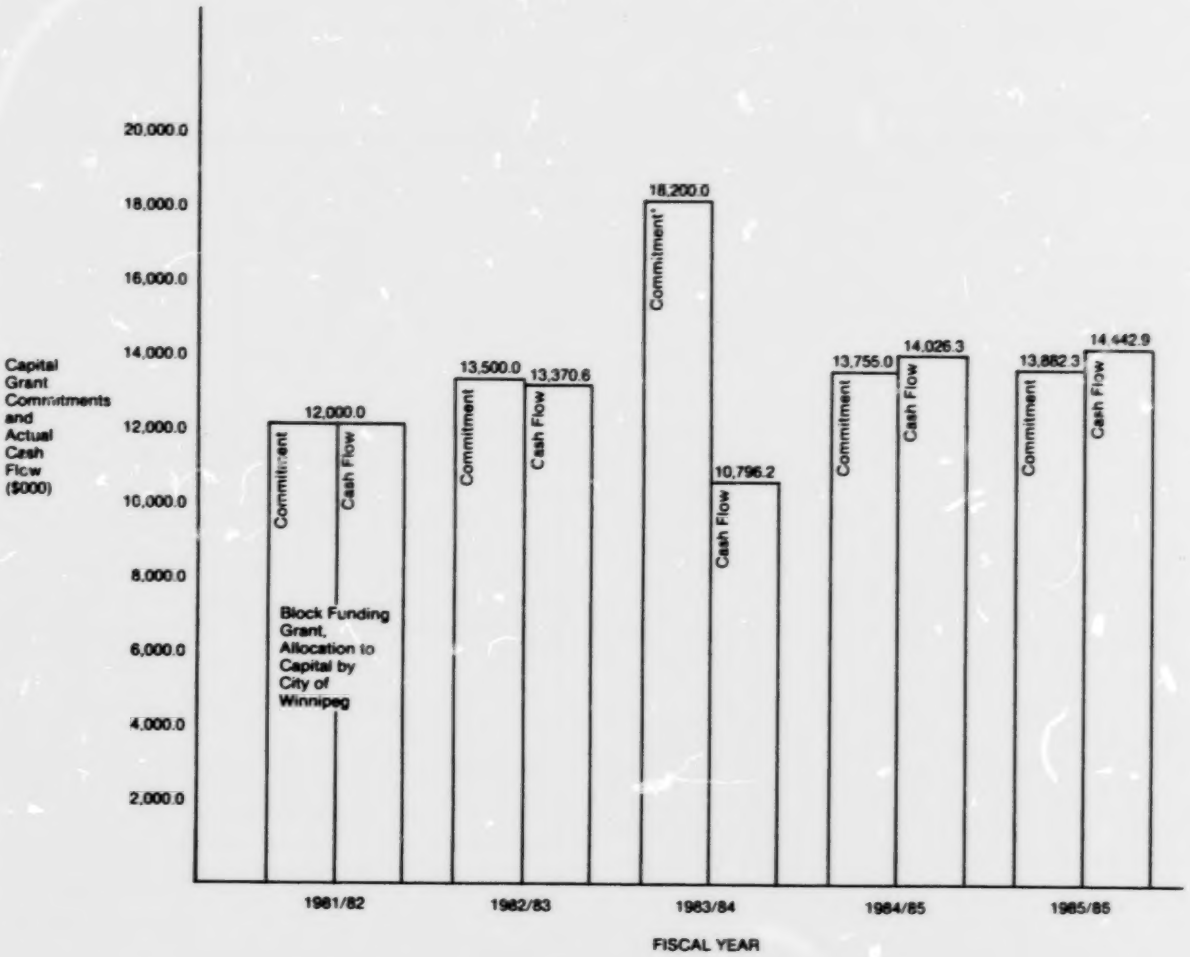
Manitoba Urban Affairs

Actual Grant Assistance to the City of Winnipeg by Fiscal Year



Manitoba Urban Affairs

Capital Grant Commitments and Actual Cash Flow to the City of Winnipeg



*NOTE: Included a multi-year commitment of $13,326.5 for replacement of Salter Street Bridge.

Detailed Summary
Actual Grant Assistance by Manitoba Urban Affairs to the City of Winnipeg
1981/82 to 1985/86

Grant Program	FISCAL YEAR ($000) 1981/82	1982/83	1983/84	1984/85	1985/86	
A. **Block Funding Grant**	38,450.0	.0	.0	.0	.0	
B. **Operating Grants:**						
1. Unconditional Current Programs	.0	20,140.0	25,659.3	18,000.0	18,200.0	
2. Urban Transit Operating Grant (Payment by Year of Operating Deficit)						
a) 1982	.0	13,660.0	.0	.0	.0	
b) 1983	.0	.0	14,738.2	.0	.0	
c) 1984	.0	.0	359.5	14,397.2	239.0	(1)
d) 1985	.0	.0	.0	.0	15,461.0	(2)
Transit Operating	.0	13,660.0	15,097.7	14,397.2	15,700.0	
3. Water Power Rental Grant	.0	1,041.9	602.9	.0	.0	
Total Operating Grants	38,450.0	34,841.9	41,359.9	32,397.2	33,900.0	
C. **Capital Grants:**						
1. Unconditional Capital Programs	.0	11,000.0	.0	8,500.0	1,000.0	(3)
2. Urban Transportation:						
a) Salter Street Bridge	.0	.0	6,326.5	3,415.0	.0	
b) Street Repair Program	.0	.0	2,980.8 (4)	.0	.0	
c) Bridges, Overpasses & Underpasses 1985 Projects	.0	.0	.0	.0	2,566.3	(3)
Urban Transportation	.0	.0	9,307.3	3,415.0	2,566.3	
3. **Urban Transit:**						
a) New Buses						
i) 1983 Purchase	.0	.0	587.2	.0	.0	
ii) 1984 Purchase	.0	.0	.0	429.7	3,027.0	
iii) 1985 Purchase	.0	.0	.0	.0	2,988.1	(3)
b) Used Buses from Calgary & Edmonton	.0	.0	805.5	.0	.0	
c) Bus Refurbishing	.0	.0	74.1	300.0	300.0	(3)
d) New Handi-Transit Vans						
i) 1984 Purchase	.0	.0	.0	165.1	.0	
ii) 1985 Purchase	.0	.0	.0	.0	170.1	(3)
e) New Service Vehicles	.0	.0	.0	.0	42.2	(3)
f) Garage Ventilation Project	.0	.0	.0	.0	316.2	(3)
Urban Transit	.0	.0	1,466.8	894.8	6,843.6	

Detailed Summary
Actual Grant Assistance by Manitoba Urban Affairs to the City of Winnipeg
1981/82 to 1985/86

Grant Program	FISCAL YEAR ($000) 1981/82	1982/83	1983/84	1984/85	1985/86	
4. **Innovative Transit:**						
a) Telebus	.0	.0	11.8	465.9	69.8	
b) Downtown Bus Stop Information	.0	.0	10.3	16.6	2.2	
c) Route Numbering System	.0	.0	.0	198.1	.0	
d) Transit Terminals (Polo Park & Garden City Shopping Centres)	.0	.0	.0	.0	10.7	(3)
Innovative Transit	.0	.0	22.1	680.6	82.7	
5. **Community Revitalization:**						
a) Neighbourhood & Community Improvement (5)						
i) West Alexander	.0	.0	.0	.1	101.4	
ii) Chalmers	.0	.0	.0	64.3	9.3	
iii) St. Matthews	.0	.0	.0	68.4	57.6	
iv) Daniel McIntyre	.0	.0	.0	60.5	39.3	
v) Dufferin	.0	.0	.0	66.3	44.8	
vi) King Edward	.0	.0	.0	188.6	222.5	
vii) St. John's	.0	.0	.0	58.7	237.2	
b) Lord Roberts Community Improvement	.0	.0	.0	29.0	118.2	
Community Revitalization	.0	.0	.0	535.9	830.3	
6. **Urban Infrastructure/Environment:**						
a) Sewer & Watermain Renewals	.0	2,370.6 (6)	.0	.0	.0	
b) Munroe/Roland Combined Sewer Flood Relief Program	.0	.0	.0	.0	2,152.3	(3)
c) Wastewater Disinfection Concept Study	.0	.0	.0	.0	40.9	(3)
d) Assiniboine Park & Zoo 1985 Projects	.0	.0	.0	.0	533.8	(3)
Urban Infrastructure/Environment	.0	2,370.6	.0	.0	2,727.0	
7. **Urban Land Assembly:**						
a) Fort Garry Land Assembly Abandonment of Expropriation	.0	.0	.0	.0	393.0	
Total Capital Grants	.0	13,370.6	10,796.2	14,026.3	14,442.9	
Total Grants	38,450.0	48,212.5	52,156.1	46,423.5	48,342.9	

SOURCE: The Public Accounts of Manitoba, 1981/82 to 1985/86, reorganized from departmental grant records to be consistent with 1985/86 program structure.

NOTES:

(1) A further grant of $419.5 is expected in the 1986/87 fiscal year towards Winnipeg Transit's 1984 operating deficit for a total contribution of $15,415.2.

(2) Final amount attributed to 1985 deficit subject to reconciliation with audited 1985 financial statements of The City of Winnipeg Transit System.

(3) Grants made under terms of the proposed Urban Capital Projects Agreement.

(4) Street Repair Program grant was recovered from the Jobs Fund, Appropriation XXIX in 1983/84, funded as a special short-term employment program. Subsequent to the payment of the grant and an audit of actual expenditures by the City Auditor, an excess contribution in the amount of $269.5 was recovered. The net grant was $2,711.3.

(5) Existing Neighbourhood and Community Improvement Projects were transferred from the Manitoba Housing and Renewal Corporation to Urban Affairs effective April 1, 1984. Prior to this date, all provincial expenditures related to these projects were reported by M.H.R.C.

(6) Sewer and Watermain Renewals grant was recovered from the Employment Creation Program, Appropriation XXIX in 1982/83, funded as a special short-term employment initiative. Subsequent to the payment of the grant and an audit of actual expenditures by the City Auditor, an excess contribution in the amount of $93.5 was recovered. The net grant was $2,277.1.

Infrastructure Renewal

In January, 1985, the Federation of Canadian Municipalities (FCM) issued a report on the deteriorating condition of municipal infrastructure across Canada. This definition of infrastructure was to include roads, sidewalks, bridges, sewers, water supply and distribution networks, waste collection and disposal facilities, libraries, parks, schools and transit systems.

In August, 1985, the Manitoba Ministers of Urban Affairs and Municipal Affairs joined with their counterparts across the country in supporting a tri-level funding arrangement with Canada to upgrade municipal infrastructure. Talks with the Federal Government regarding the Federal role in this initiative are still pending.

Manitoba Urban Affairs has committed itself to the objective of renewing Winnipeg's infrastructure through its support of this concept in Plan Winnipeg and in the six-year $90 million Urban Capital Projects Agreement being negotiated with the City of Winnipeg. Most projects to be completed under this Agreement emphasize renewal, upgrading, and replacement of existing facilities rather than the expansion of infrastructure development.

Urban Capital Projects Agreement

The proposed Urban Capital Projects Agreement confirms Manitoba's financial commitment to infrastructure renewal and urban revitalization and encourages long-term, cost effective development in the City of Winnipeg. Assured financial assistance by the Province is seen as a means of improving capital planning by the City under the Five-Year Program and in assisting with the implementation of the policies, objectives, general principles and measures set out in Plan Winnipeg.

On March 26, 1986, the Government of Manitoba advised City Council that it was committing provincial funding of $90.0 million to the proposed agreement, while extending the term of the agreement by an additional year from 1989 to 1990.

In order to meet the City's immediate needs for capital funding in 1985, the Province's first year commitment to projects agreed to for cost-sharing under the proposed agreement was set at $13,882,300. The 1985 commitment was for the following capital grant programs and projects:

1)	***Community Improvement-Type Programming*** Provincial commitment to develop a new program to replace withdrawn federal funding of neighbourhood and community improvement projects. The Weston area was selected for an initial project under the Manitoba/Winnipeg Community Revitalization Program.	$1,400,000
2)	***Urban Transit Capital Grants Program*** Grants for purchase of new vehicles: • 35 transit buses • 6 handi-transit vans • 6 service vehicles Grants for improved ventilation of transit garages and refurbishment of 10 old buses.	$4,152,000
3)	***Innovative Urban Transit Projects*** Offer of grant for innovative transit projects to be proposed by City during 1985.	$ 230,000
4)	***Bridges, Overpasses and Underpasses*** Grant towards 9 infrastructure related renewal or improvement projects.	$3,322,500
5)	***Combined Sewer Flood Relief*** Grant towards part of City's longer term program providing basement flood relief to combined sewered areas in the inner city and older neighbourhoods. Funding in 1985 was for projects in Munroe/Roland/Hart districts.	$3,130,900
6)	***Wastewater Disinfection Concept Study*** Offer of a special grant to initiate action on improving Red River water quality. Manitoba and Winnipeg have agreed that the study will assess the most suitable effluent disinfection process.	$ 100,000
7)	***Assiniboine Park and Zoo*** Funding for improvements to bear enclosure, roads and walkways.	$ 546,900
8)	***Unconditional Capital Programs Grant*** Special transitional grant for 1985.	$1,000,000
	Total 1985 Grant Commitment under Urban Capital Projects Agreement	$13,882,300

Policy Coordination Branch

Director — Peter Walton

The principal objective of the Policy Coordination Branch is to ensure the realization of provincial urban goals and strategies in the City of Winnipeg. Priorities for the Branch include: urban transportation, the urban environment, urban employment and citizen participation. During the 1985/86 fiscal year, the Policy Coordination Branch had a complement of 7.0 staff years — six professional and one managerial.

The Policy Coordination Branch is responsible for formulating, analyzing, advising and coordinating policies and programs of the Provincial government as they relate to the City of Winnipeg. Major responsibilities of the branch include:

- administration of The City of Winnipeg Act, including legislative amendments ensuring that provisions of the Act are current and consistent with the needs of the City of Winnipeg and the objectives of the Province of Manitoba;
- formulation and coordination of provincial policies on planning, land use and transportation matters in the City of Winnipeg, including the provincial input into the Greater Winnipeg Development Plan (Plan Winnipeg);
- management of provincial participation in the Winnipeg Core Area Tripartite Agreement and the North Portage Development Corporation;
- coordination of and recommendations on the resolution of City/Province urban policy and planning issues;
- implementation of the Manitoba/Winnipeg Community Revitalization Program in cooperation with the City of Winnipeg.

Major accomplishments of the Branch during the 1985/86 fiscal year include:

- Review of Plan Winnipeg, the City's proposed new development plan, and resolution of outstanding provincial concerns through agreement with the City on an approval and amendment process to the Plan.
- Liaison with a five-person Committee of Review charged with inquiring into the scope and effectiveness of urban government in the City of Winnipeg. The Committee submitted its report in December, 1985.
- Review of requested amendments to The City of Winnipeg Act and preparation of approved amendments for the 1986 Session of the Legislature.
- Identification of conditional transportation grants to the City of Winnipeg to financially assist in the renewal and upgrading of the street infrastructure and to encourage innovation in public transit.
- Management of provincial participation in the Winnipeg Core Area Initiative Agreement.
- Implementation of the North Logan Redevelopment Project in cooperation with Manitoba Housing.
- Provincial input into the North of Portage Redevelopment project, including identification and approval of major public sector components in the redevelopment to receive provincial funding.
- Design and approval by the Provincial Cabinet and City Council of the Manitoba/Winnipeg Community Revitalization Program to ensure the physical, social and economic renewal of Winnipeg's older neighbourhoods.

Other Expenditures, Policy Coordination

Operating expenditures of the Policy Coordination Branch totalled $7,900.00 in the 1985/86 fiscal year.

In addition, Urban Affairs provides financial assistance to external agencies in certain circumstances where the activities of these agencies assist the department in fulfilling its mandate. During the 1985/86 fiscal year, the following grants were made:

1. Logan Community Committee has received financial assistance to facilitate the participation of North Logan residents in the planning and redevelopment of their neighbourhood. The Logan Community Committee has been an active participant in the redevelopment process which is now nearing completion.
2. Winnipeg Council of Treaty and Status Indians received a grant from Urban Affairs in the 1984/85 and 1985/86 fiscal years. Funding was provided to assist the organization in addressing the special needs of Indian people in an urban centre.
3. The Institute of Urban Studies, University of Winnipeg received a grant from Urban Affairs to assist in the cost of holding the Canadian Urban Studies Conference in August, 1985.

A comparison of Other Expenditures for the 1984/85 and 1985/86 fiscal years is as follows:

	($000's) 1984/85	1985/86	Increase (Decrease)
a) Operating expenditures	$15.8	$ 7.9	$ (7.9)
b) Grants to organizations:			
— Logan Community Committee Inc.	69.6	54.2	(15.4)
— Winnipeg Council of Treaty & Status Indians	25.0	25.0	—
— Canadian Association of Planning Students	.3	—	(.3)
— Institute of Urban Studies	1.5	2.0	.5
— University of Manitoba Planning Department	—	.5	.5
	$112.2	$ 89.6	$(22.6)

Winnipeg Core Area Initiative

The 1981-86 $96 million, trilevel Core Area Initiative Agreement is a comprehensive set of 13 programs designed to arrest physical decline and improve job opportunities and living standards for core area residents.

Each of the three levels of government are equal participants in the management of the Initiative and in the decision-making process. Manitoba Urban Affairs represents the Province in the Core Area Initiative.

As the lead provincial department, Urban Affairs coordinates provincially implemented Core Area Initiative programs and represents the Province on a number of advisory and intergovernmental committees. Urban Affairs directly implements the $6 million Community Facilities Program which provided funding assistance to over 50 projects in the Core Area. The Province is also the responsible implementing jurisdiction for the Core Area Training and Employment Agency, Education Development, Home Ownership Assistance and Small Business Assistance Program.

Provincial Contribution to Core Area Initiative to March 31, 1986 (1981-86)

Total Cost of C.A.I. (1981-86)	Total Provincial Share (1/3)	Total Provincial Expenditures to March 31/86
$96.0 M	$32.0 M	$22.3 M

To date the Agreement has succeeded in levering nearly $80 million in private sector investment and approximately $170 million in complementary public funds.

The three levels of government have recognized that there are significant opportunities to build upon the accomplishments of the Core Area Initiative Agreement. Accordingly, Canada, Manitoba and Winnipeg have agreed in principle to enter into a renewed five-year, $100 million Core Area Initiative. Once signed, the Agreement will come into effect on April 1, 1986 and end on March 31, 1991.

North Logan Redevelopment Project

The tripartite Core Area Initiative Agreement initially called for the expropriation of approximately 20 acres of land in the Logan/CPR area with the intent to clear the land and redevelop it as an industrial park. In December, 1981, the Provincial government appointed a Commission of Inquiry to hold public hearings on the expropriation. As a result of the Commission's report which recommended that the area should continue to accommodate a mix of residential and commercial/industrial uses, the Core Area Initiative Policy Committee agreed on a new plan of development for North Logan. Under this agreement, which provided for an industrial site, a small business site and a residential area, the Province assumed responsibility for the redevelopment of the residential neighbourhood.

Manitoba Urban Affairs and Manitoba Housing were responsible for the project implementation of the residential component. Provincial staff worked closely with the local resident organization, the Logan Community Committee, to ensure community involvement in the planning process. The redevelopment

process involved: the demolition of houses beyond repair; the relocation of 18 structurally sound houses from sites designated for non-residential use onto new foundations within the neighbourhood; the renovation of existing and relocated houses; the construction of new in-fill houses; the rezoning of the area from industrial to residential; the upgrading of municipal services and landscaping of boulevards; and the mixed residential development on 400 Logan which serves to link North Logan with its inner city neighbours to the south. The development of community parks and facilities, such as the rehabilitation of Logan House for community use, has further enhanced the neighbourhood.

Manitoba/Winnipeg Community Revitalization Program

In 1984, Manitoba Urban Affairs assumed responsibility for community revitalization initiatives designed to improve living conditions, municipal services and community facilities in deteriorated residential neighbourhoods. Subsequently, Manitoba and Winnipeg developed the cost-shared Manitoba/Winnipeg Community Revitalization Program (M/WCRP) which was announced in November, 1985.

The M/WCRP program is based on similar trilevel funded programs that were initiated in the 1970's. The Neighbourhood Improvement Program (NIP), the Community Services Contribution Program (CSCP) and the Community Improvement Program (CIP) were implemented in 12 neighbourhoods in Winnipeg and three communities in other parts of Manitoba. The Province's contribution, through Manitoba Housing, to these three programs was 25% of the project costs under each of the three aforementioned programs.

Following termination of federal cost-sharing in NIP/CSCP/CIP programs, the Province and the City of Winnipeg agreed to cost-share, on a 50-50 basis, in community improvement projects in designated areas of Winnipeg. Manitoba committed $1.2 million as its 50% share of the cost of a program in the Lord Roberts neighbourhood. As this project was implemented prior to agreement being reached on M/WCRP, the Lord Roberts program incorporates features from the previous NIP-CIP models and the new M/WCRP program.

Community improvement programs are now implemented under the joint M/WCRP program which is delivered through the Neighbourhood Improvement Branch of the City of Winnipeg. In addition to funding activities designed to improve and enhance community facilities and municipal services in older residential neighbourhoods, M/WCRP also directs funds towards stimulating citizen involvement in the planning and development of their neighbourhoods.

The Weston Community was the first area designated to receive M/WCRP funding. A total of $2.8 million will be directed to the Weston project over the next five years. Manitoba's commitment is $1.4 million.

The Spence-Memorial Neighbourhood has also been designated as a M/WCRP area. The project is divided into two phases with an approximate total cost of $4 million. In January, 1986 the Province committed up to $1 million as its 50% share of the first phase of the project.

Ongoing and Previous Commitments to the Neighbourhood Improvement Program

Provincial Contribution to Winnipeg Projects to March 31, 1986

Project Location	Total Estimated Cost	Provincial Commitment 25% Share	Total Contribution to March 31, 1985	Contribution from April 1, 1985 to March 31, 1986
William Whyte*	$ 3,335,000	$ 833,750	$ 833,750	—
Centennial Area*	$ 2,705,000	$ 676,250	$ 676,250	—
North Point Douglas*	$ 3,805,000	$ 951,250	$ 951,250	—
North St. Boniface*	$ 4,919,454	$1,229,863	$1,229,863	—
Brooklands Area*	$ 4,910,000	$1,227,500	$1,227,500	—
West Alexander Area**	$ 2,950,000	$ 737,500	$ 636,082	$ 101,403
Total	$22,624,456	$5,656,113	$5,554,695	$ 101,403

**Projects terminated in 1984.*

***Projects completed during 1985.*

Ongoing and Previous Commitments to Community Improvement Programs

Provincial Contributions to March 31, 1986

Project Location	Total Estimated Cost	Provincial Commitment 25% Share	Total Contribution to March 31, 1985	Contribution from April 1, 1985 to March 31, 1986
Chalmers	$ 3,345,000	$ 836,250	$ 816,260.50	$ 9,289.95
St. Matthews	$ 2,080,000	$ 520,000	$ 439,369.98	$ 57,608.27
Daniel McIntyre	$ 2,500,000	$ 625,000	$ 556,050.68	$ 39,265.41
Dufferin	$ 1,254,000	$ 313,500	$ 196,242.79	$ 44,759.81
King Edward	$ 2,500,000	$ 691,250	$ 355,681.46	$222,526.47
St. John's	$ 2,500,000	$ 625,000	$ 90,367.03	$237,250.53
Total	$14,444,000	$3,611,000	$2,453,972.44	$610,700.44

Provincial Contributions to the Manitoba/Winnipeg Community Revitalization Program

Project Location	Total Estimated Cost	Provincial Commitment 50% Share	Total Contribution to March 31, 1985	Contribution from April 1, 1985 to March 31, 1986
Lord Roberts*	$2,240,000	$1,120,000	$29,017.86	$118,194.97
Weston	$2,800,000	$1,400,000	$ —	$ —
Spence-Memorial	$4,000,000 2 phases at $2,000,000, each	$1,000,000	$ —	$ —
		$1,000,000 phase 1 $1,000,000 phase 2	$ —	$ —
Total	$9,040,000	$4,520,000	$29,017.86	$118,194.97

**Lord Roberts project funded on a transitional basis prior to approval of M/WCRP program.*

Urban Transit and Transportation

Financial assistance is provided to the City of Winnipeg for urban transit and transportation through four separate grant programs.

Urban Transportation Major Capital Projects Grant

The objective of this program is to assist the City of Winnipeg with the capital costs of key elements of the regional street system, consistent with the transit-oriented containment policy in Plan Winnipeg, the City's overall development plan. The emphasis of this program has been on rehabilitation or replacement of existing infrastructure of the regional street system, in particular bridges and overpasses.

In the 1985/86 fiscal year Urban Affairs committed 50% of the eligible costs for improvements to regional bridges, overpasses and underpasses identified in the City's 1985 Capital Budget (up to a maximum grant ceiling of $3,322,500).

Urban Transit Capital Grant

The objective of this program is to provide capital grant assistance to the City of Winnipeg for renewal of the Winnipeg Transit bus fleet and upgrading of transit facilities and equipment on an approved project basis.

In the 1985/86 fiscal year, Urban Affairs committed $4,152,000 which represents 50% of the eligible costs for the following projects:

— purchase of 35 new Flyer buses
— refurbishing of 10 older buses

— purchase of 6 Handi-Transit vans to allow transit service to be expanded to the disabled
— upgrading of the ventilation system in three Winnipeg Transit garages so that the garages will meet Provincial air quality standards and ensure safe working conditions for transit employees
— purchase of ancillary transit equipment.

Innovative Urban Transit Demonstration Project Grants

The objective of this program is to help increase ridership to achieve a more efficient and effective transit system in the City of Winnipeg. These grants support Plan Winnipeg's transit-containment option which has been endorsed by both the Province and City Council. The grant covers 50% of the net approved cost of the projects.

During the 1985/86 fiscal year, the Department approved a grant commitment of $230,000 to assist in the financing of the following projects:

— purchase of three heavy duty Handi-Transit vehicles
— construction of two exclusive transit terminals at Garden City and Polo Park Regional Shopping Centres
— study of possible transit priority measures for the City of Winnipeg.

Urban Transit Operating Grant

Up until the 1960's most Canadian transit systems recovered their costs from the farebox. However, with rapid suburban expansion and large increases in fuel and labour costs, all transit systems now operate with a deficit. From 1966 a Provincial objective has been to share the cost of this deficit with the City of Winnipeg.

Since 1982 the Province has made grants equal to 50% of the City's audited contribution toward the annual transit system deficit. For the City's Transit System's 1985 operating year, the Department's grant commitment equalled $15,461,000. A further $239,000 was paid with respect to the 1984 audited transit operating deficit.

Riverbank Development

In January 1986, the Minister of Urban Affairs proposed the establishment of a non-profit waterways authority for Winnipeg and announced the Province's intention to seek the involvement of the City of Winnipeg and the Government of Canada as partners.

The first initiative under the Riverbank Development Program is the development of property along Omand's Creek. In July 1985, the Province acquired a six acre site located east of Empress Street and north of Portage Avenue spanning Omand's Creek. Through a consultative process with local residents and interest groups, Urban Affairs will be considering development options for the site which will preserve Omand's Creek as a natural urban area.

The City of Winnipeg Act Review

Background

The City of Winnipeg Act is a provincial statute which came into force on January 1, 1972 to create one unified City to replace twelve municipalities and a metropolitan system of government. All the powers and controls which the local government may exercise in relation to the operation of the City are contained in The City of Winnipeg Act. This Act is administered by Manitoba Urban Affairs.

Section 660 of The City of Winnipeg Act contains provisions enabling the Lieutenant-Governor-in-Council to appoint as often as deemed necessary, a committee to review the operation of the City thereunder, and any other relevant matters as may be prescribed.

Committee of Review

Pursuant to Section 660 of The City of Winnipeg Act, in June of 1984, a five-member Committee was established by an Order-in-Council to undertake a review of the Act (with the exception of the provisions pertaining to real property assessment in Part VII) and to submit to the Provincial government its recommendations. More specifically, the Committee's mandate was to determine the effectiveness of the provisions of The City of Winnipeg Act with respect to:

i) the distribution of responsibilities and powers between the City of Winnipeg and the Province of Manitoba;

ii) the distribution of responsibilities and powers for reconciling both local and City-wide interests within the City of Winnipeg;

iii) the relationship between the City, municipalities in the Additional Zone, and municipalities and planning districts adjacent to the City and the Additional Zone;

iv) city planning, particularly in Part XX of the Act; and

v) meaningful citizen participation in City decision-making processes.

Public input in The City of Winnipeg Act review was a central aim of the Committee. To this end, it published and distributed an introductory pamphlet called **Our City In Review** and a short **Issues Paper** which were intended: to inform the citizens of Winnipeg and various interest groups of the Committee's activities and to generate discussion on local government and the operation of the City. The Committee of Review held 29 public hearings, heard 216 public submissions and received 80 written submissions. As well, the Committee held private meetings with 150 individuals among them, the members of the Urban Affairs Committee of Cabinet, members of the Legislative Assembly, and City Council.

In December of 1985, the Committee of Review submitted to the Minister of Urban Affairs its report and recommendations.

Plan Winnipeg

Part XX of The City of Winnipeg Act requires City Council to prepare an overall development plan, referred to as the Greater Winnipeg Development Plan. Under the provisions of Section 569 of the Act, this Plan is to identify the City's policies and proposals concerning urban growth with specific reference to the physical, social and economic environments as well as transportation. Under Section 578 of The City of Winnipeg Act, the Minister of Urban Affairs is given the responsibility for reviewing and approving the Greater Winnipeg Development Plan and any amendments thereto.

During 1985, Manitoba and Winnipeg reached agreement on the content of a revised Greater Winnipeg Development Plan — now known as Plan Winnipeg — and on the proposed amendments that would be given further consideration by the City. In August 1985, the Minister of Urban Affairs gave formal approval to Plan Winnipeg.

Historical Buildings Committee

Section 483 of The City of Winnipeg Act enables the City to establish by by-law a list of buildings and structures of significant architectural or historic interest and to determine the criteria, priorities and procedures for placing these buildings and structures on the buildings conservation list. The Historical Buildings Committee was established by the City of Winnipeg in February, 1977 and Manitoba Urban Affairs has provided one of the two provincial representatives on the Committee since its inception.

During the 1985/86 fiscal year, departmental representatives participated in monthly meetings of the Historical Buildings Committee. The Committee inspects, evaluates and makes recommendations to the Standing Committee on Environment of the City of Winnipeg regarding buildings of potential architectural or historic significance.

North Portage Development Corporation

The North Portage Development Corporation was established in December, 1983. Through a Unanimous Shareholders' Agreement, the Government of Canada, the Province of Manitoba and the City of Winnipeg provided an initial capital authorization of up to $76 million to be used in accordance with an approved Concept and Financial Plan.

The nine-member Board of Directors of North Portage Development Corporation is appointed by the shareholders with each nominating three directors. In addition, a chairperson of the Board is chosen unanimously by the shareholders.

The Board was given a mandate to redevelop a three and one half block area bordering on the north side of Portage Avenue in downtown Winnipeg through a combination of private, public and institutional investment.

The main components of the North Portage Development Corporation redevelopment plan are:

- The new three-storey Portage Place retail complex. Construction began in December, 1985 on the 300,000 square feet of retail space which will house over 140 retail and service outlets.
- The 1,100 units of market housing of which 300 will be built specifically for seniors.
- An office complex, announced in August 1985, for the corner of Portage Avenue and Colony Street. The 19-storey head office building, currently under construction, represents a total private investment of $30 million.
- Creation of an Urban Village through special streetscaping and design integration of buildings and street level retail establishments.
- Major enclosed public amenity spaces on the north side of Portage Avenue linked through all weather connections to the south side of Portage Avenue and Eaton's and The Bay.
- An IMAX theatre was approved for the North Portage redevelopment in September, 1985. This is a $7.5 million project consisting of a 250 seat large-screen theatre and a 70mm film on Manitoba. This film is scheduled to open the theatre in the fall of 1987. The theatre and film are being funded through the Canada-Manitoba Tourism Development Agreement, with additional assistance from Manitoba and the North Portage Development Corporation.

The Agreement for Recreation and Conservation on the Red River Corridor (A.R.C.)

Background

In 1978, Canada and Manitoba entered into an Agreement for Recreation and Conservation on the Red River Corridor (A.R.C. Agreement). The Agreement provides for Federal/Provincial cooperation in planning, operation, management, and financing of areas containing important heritage and recreation resources.

The 1978 A.R.C. Agreement provided $13 million cost-shared funding over a seven year period (1978 to 1985) to develop, preserve and protect the scenic, recreational and historical resources of the Red River Corridor from St. Norbert to Lake Winnipeg. The cost-shared funding provided for some projects to be jointly financed and for others to be solely financed by either Canada or Manitoba.

Through the A.R.C. Agreement, a Master Development Plan was prepared and projects were identified for feasibility studies and implementation.

Management Board

The Federal and Provincial Ministers responsible for the A.R.C. Program each appointed two representatives to a Management Board which is responsible for the management and implementation of the A.R.C. Agreement. Manitoba is represented by the Deputy Ministers of Urban Affairs and Natural Resources.

Manitoba A.R.C. Authority

The Manitoba A.R.C. Authority was established in 1981 to implement those projects cost-shared by Manitoba and Canada or funded 100% by Manitoba. The two projects funded totally by Canada are implemented by Parks Canada.

Extension of A.R.C. Agreement and 1985/86 Budget

The A.R.C. Agreement was scheduled to terminate on March 31, 1985. In order to complete some of the projects which had not been fully implemented, Canada and Manitoba extended the time period of the A.R.C. Agreement for three years from April 1, 1985 to March 31, 1988. Two projects, the Trappist Monastery and St. Norbert X-Kalay, are scheduled to open in 1987. The Forks Interpretive Park is scheduled to open in 1988.